

To: All Indiana Hospitals, Physicians and Ambulance providers

Fr: Family and Social Services Administration

Date: July 6, 2007

"Important Notice Regarding Changes to the Hospital Care for the Indigent (HCI) Program

Pursuant to Public Law 218-2007 (HEA 1678), FSSA is permitted to redirect HCI funding for state fiscal years 2008 and beyond to increase rates in the state Medicaid program. This targeted rate increase will be focused on those codes representing services historically billed through the HCI program. Therefore, physicians and transportation providers will not be required to submit applications for HCI eligibility, or submit HCI claims, for service dates after June 30, 2007.

Currently, HCI payments to physicians and ambulance providers are determined based on a percentage of total payable claims submitted by the end of the state fiscal year (June 30). In order to allow providers time to file applications and claims for service dates through June 30, 2007, the State will accept such applications and CMS-1500 claims for physician and transportation services that are postmarked or hand delivered to the local office of the Division of Family Resources or:

FSSA
HCI – MS #34
P.O. Box 7128
402 West Washington Street, Room E442
Indianapolis, IN 46207-7128

on or before July 31, 2007. All applications will need to include the CMS-1500 claim. Providers must exercise appropriate oversight to help ensure that applications and claims are submitted only for services that are legitimately covered by the HCI program.

In addition, pending appeals for financial and/or medical eligibility denials will now be rescinded and approved. These payments will be included in the provider's HCI payments for the state fiscal year ending June 30, 2007. If a provider currently has claims on file for these appeals, they will be priced. If a provider has appeals on file, but has not filed claims, it must file the claims, in the same manner as described above, on or before July 31, 2007. All such claims must be accompanied by the applicable certificate of action (denial or approval) received by the provider.

In regards to any new denials of eligibility or claims received before July 1, 2007, notices of appeal must be filed, in the same manner described above, on or before July 31, 2007. All such notices of appeal must include the applicable CMS-1500 claim. Depending on the subject matter of the appeal (i.e., denial of eligibility or denial related to a payment notice), these appeals will be addressed as described above. Again, providers must exercise appropriate oversight to help ensure that appeals are pursued only for services that are legitimately covered by the HCI program.

